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**IN THE UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

IN RE:	Case No.: 10-43554
CENTER POINT DAIRY LIMITED, L.P.	Chapter: 11
75-2699811	
6414 FM 2653 S	
Cumby, TX 75433	
Debtor(s).	
IN RE:	Case No.: 10-43555
LEONARDUS HEIJLIGERS	Chapter: 11
xxx-xx-7944	
INGEBORG HEIJLIGERS	
xxx-xx-9359	
6414 FM 2653 S	HEARING DATE: October 18, 2010
Cumby, TX 75433	HEARING TIME: 10:00 a.m.
Debtor(s).	

DEBTORS' EMERGENCY MOTION FOR ORDER DIRECTING JOINT ADMINISTRATION OF CASES

NOTICE

NO HEARING WILL BE CONDUCTED ON THIS MOTION UNLESS A WRITTEN OBJECTION IS FILED WITH THE CLERK OF THE UNITED STATES BANKRUPTCY COURT AND SERVED UPON THE PARTY FILING THIS PLEADING WITHIN TWENTY ONE (21) DAYS FROM THE DATE OF SERVICE UNLESS THE COURT SHORTENS OR EXTENDS THE TIME FOR FILING SUCH OBJECTION. IF NO OBJECTION IS TIMELY SERVED AND FILED, THIS PLEADING SHALL BE DEEMED TO BE UNOPPOSED, AND THE COURT MAY ENTER AN ORDER GRANTING THE RELIEF SOUGHT. IF AN OBJECTION IS FILED AND SERVED IN A TIMELY MANNER, THE COURT WILL THEREAFTER SET A HEARING. IF YOU FAIL TO APPEAR AT THE HEARING, YOUR OBJECTION MAY BE STRICKEN. THE COURT RESERVES THE RIGHT TO SET A HEARING ON ANY MATTER.

TO THE HONORABLE UNITED STATES BANKRUPTCY COURT:

COMES NOW, Center Point Dairy Limited, L.P. (“Center Point”), and Leonardus and Ingeborg Heijligers (collectively, the “Heijligers”), Debtor and Debtor in possession in their respective above-styled and numbered cases (collectively, the “Debtors”), and files this *Debtors’ Emergency Motion for Order Directing Joint Administration of Cases* by and through the undersigned attorney. The facts and circumstances supporting this Motion are set forth in the Affidavit of Inge Heijligers (the “Heijligers Affidavit”), filed concurrently herewith. In support thereof the Debtor respectfully shows the Court as follows:

I. JURISDICTION

1. The Court has jurisdiction over the subject matter of this Motion pursuant to 28 U.S.C. §1334(b) and the standing order of reference of the District Court. This matter is a core proceeding. 28 U.S.C. §157(b).

2. Venue in this Court is proper under 28 U.S.C. §§ 1408 and 1409.

II. BACKGROUND

A. Procedural History

3. Both cases were commenced by the filing of a voluntary petition under Chapter 11 of the United States Bankruptcy Code on October 13, 2010 (the “Petition Date”).

4. No trustee or examiner has been appointed, and no official committee of creditors has yet been established in either case.

B. Business History and Operations

1. The Heijligers currently owns and operates a dairy farming operation located in Northeast Texas (the “Dairy Farm”).

2. The Dairy Farm commenced operations in January, 1994, with the Heijligers’

purchase of a 417 acre farm (the “Miller Grove Farm”), an adjacent homestead situated on 1.26 acres (the “Homestead”), and 160 pregnant heifers that were close to calving.

3. In March, 1997, the Heijligers formed Center Point and LIH, Ltd., L.C. (“LIH”). LIH is the 1% general partner of Center Point. All of the Dairy Farm assets, including the homestead, were transferred to Center Point at that time.

4. The Dairy Farm expanded over the years with Center Point’s purchase of an additional 204 acres adjacent to the Miller Grove Farm in September, 2004, and 162 acres of land in Cumby, Texas (the “Cumby Pasture”), in July, 2007.

5. While the acquisition of the Cumby Pasture was necessary at the time, its use was cumbersome as it was located approximately nine (9) miles from the Miller Grove Farm. As such, when the Heijligers were subsequently presented with an opportunity to acquire an additional 104 acres adjacent to the Miller Grove Farm (the “Adjacent Pasture”) they opted to purchase the property. This acquisition was made by the Heijligers and not Center Point.

6. In May, 2006, Center Point was solicited by Legacy Bank, PCA (“Legacy”), to restructure its loans with them. Center Point agreed to move its banking business to Legacy, and in so doing was able to access an additional \$300,000.00 in capital which monies were used to make improvements on the Dairy Farm and acquire an additional 300 pregnant heifers.

7. Center Point currently employs 10 individuals who work with approximately 700 milking cows, 600 head of cattle in pasture, and between 60 and 120 heifer calves.

8. The Dairy Farm operates 24/7 and is focused upon the care and feeding of dairy cows used in the production of milk for sale to wholesale buyers. Center Point also generates additional revenue from the sale of certain cattle, primarily bull calves and/or older or non-producing dairy cows (collectively, the “Cull Cows”).

9. The Debtors, like other dairy farming operations throughout the country, have faced serious economic challenges in the recent past. Milk prices plummeted to historic lows in 2009. Although milk prices have recovered somewhat during 2010, the pricing of product and the overall cost of production continue to provide challenges for the Dairy Farm's profitability. Adding to the Debtors' financial challenges is the fact that agricultural lenders are less willing and/or able to work with borrowers to extend loan payments in the current economy.

10. The cases *sub judice* are basically balance sheet restructuring cases and not operational restructuring cases. The Debtors' assets and going concern value are worth less today than they were worth in 2006 when the Debtors' restructured their finances with Legacy. These cases are filed to restructure an overleveraged balance sheet, not to restructure operations *per se*.

C. Capital Structure

11. Center Point and the Heijligers are party to two (2) promissory notes dated January 11, 2010 (collectively, the "Cattle Notes") with Legacy, PCA (the "Secured Lender"), pursuant to which the Secured Lender extended a secured revolving note in the original principal amount of \$400,000.00 (the "Revolver") and a term loan in the original principal amount of \$1,379,400.00 (the "Term Loan"). The Cattle Notes are secured by the livestock, crops and the proceeds thereof. The Revolver and Term Loan are the product of a renewal of a loan that was originally entered into by and between the Debtor and Secured Lender on or about May 5, 2006, in the original principal sum of \$1,779,400.00. The Revolver and Term Loan matured on July 1, 2010. Efforts to renew and/or modify the Revolver and Term Loan have not been successful. Since the inception of the relationship, the Debtors have only ever made interest only payments to Secured Lender. As additional collateral the Notes are secured by the

real property described in Exhibit “A” of the Heijligers Affidavit (the “Farm”).

12. Center Point and the Heijligers are party to a secured promissory note and deed of trust dated May 5, 2006, with the Secured Lender in the original principal amount of \$2,154,700.00 (the “Farm Note”). The Farm Note was subsequently modified pursuant to a loan conversion agreement dated January 7, 2010, thereby lowering the interest rate to 4% for a twelve (12) month period commencing February 1, 2010. The Farm Note is secured by the Farm.

13. The Cattle Notes and the Farm Note result in a total encumbrance of approximately \$3,934,100.00 against the Farm.

14. On or about July 11, 2007, as referenced above, Center Point acquired the Cumby Pasture, which purchase was financed by the Secured Lender. In connection with that purchase, Center Point and the Heijligers executed a secured promissory note and deed of trust dated July 11, 2007, with the Secured Lender in the original principal amount of \$374,000.00 (the “Cumby Loan”). There are no other known encumbrances against the Cumby Pasture.

15. On or about May 2, 2008, again, as referenced above, the Heijligers acquired the Adjacent Property, which purchase was financed by Agriland, FLCA (“Agriland”). In connection with that purchase the Heijligers executed a secured promissory note and deed of trust dated May 2, 2008, with Agriland in the original principal amount of \$207,967.75 (the Agriland Loan”). There are no other known encumbrances against the Adjacent Property.

16. The Debtor are also joint obligors on the equipment financed by AGCO Finance, LLP (“AGCO”). With the exception of Center Point’s obligation to Community Bank, AGCO is the lender on the remainder of the financed Dairy Farm equipment.¹

¹ The obligations referenced herein are set forth in greater detail in the Debtor’s Emergency Motion for Order

III. RELIEF REQUESTED

5. The Heijligers own one hundred percent of the equity interest in Center Point. The Debtors therefore are “affiliates” as that term is defined in 11 U.S.C. § 101(2) and used in Bankruptcy Rule 1015(b). Accordingly, joint administration of the above-styled and numbered cases, **for procedural purposes only**, is proper.

6. Joint administration of these cases will avoid considerable unnecessary delay and expense by obviating the need for the Debtors to file duplicative pleadings. Further, joint administration will avoid the burdensome necessity of duplicating notices to numerous creditors. Lastly, supervision of the administrative aspects of the subject bankruptcy cases by the Office of the United States Trustee will be simplified by joint administration.

7. The substantive rights of the respective creditors will not be adversely affected by the joint administration of these cases since the relief requested is purely procedural.

8. The Debtors further respectfully request, for the convenience of all parties and the Court, that these Chapter 11 cases be jointly administered under Case No. 10-43554, and that all pleadings pertaining thereto be filed under the following caption:

IN RE:

**CENTER POINT DAIRY LIMITED, L.P.,
LEONARDUS HEIJLIGERS, and
INGEBORG HEIJLIGERS,**

Debtor(s).

Case No.: 10-43554

Case No.: 10-43555

JOINTLY ADMINISTERED UNDER: 10-43554

Chapter: 11

Authorizing the Interim Use of Cash Collateral filed contemporaneously herewith.

WHEREFORE, PREMISES CONSIDERED, the Debtor respectfully requests that the Court enter an order directing the above-styled and numbered cases be jointly administered under Case No. 10-43554; and providing for such other and further relief to which the Debtor may be justly entitled.

Respectfully submitted,

Dated: October 13, 2010

/s/ Robert T. DeMarco

DeMarco•Mitchell, PLLC

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Michael S. Mitchell, Texas Bar No. 00788065

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Proposed Counsel for Debtor and Debtor in Possession

CERTIFICATE OF SERVICE

The undersigned counsel hereby certifies that true and correct copies of the foregoing pleading and all attachments were served upon all parties listed below in accordance with applicable rules of bankruptcy procedure on this 13th day of October, 2010. Where possible, service was made electronically via the Court's ECF noticing system or via facsimile transmission where a facsimile number is set forth below. Otherwise, service was made via regular first class mail.

DEBTOR

Center Point Dairy Limited, L.P.
6414 FM 2653 South
Cumby, TX 75433
FAX: 903-459-3712

TRUSTEE

Office of the United States Trustee

110 N. College Avenue

Suite 300

Tyler, TX 75702

FAX: 903-590-1461

Email: USTPRegion06.TY.ECF@usdoj.gov

SECURED LENDER

Legacy, PCA

P.O. Box 468
303 Connally Street
Sulphur Springs, TX 75482
FAX: 903-885-0886

Community Bank

P.O. Box 2100
Sulphur Springs, TX 75483
FAX: 903-885-9449

AGCO Finance, LLC

P.O. Box 4000
Johnston, IA 50131-9854
FAX: 515-334-5825

PARTIES IN INTEREST / REQUESTING NOTICE

Leonardus & Ingeborg Heijligers

6414 FM 2653 South
Cumby, TX 75433
FAX: 903-459-3712

Agriland, FLCA

3210 WNW Loop 323
Tyler, TX 75702
FAX: 903-593-6588

/s/ Robert T. DeMarco

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***Proposed Counsel for Debtor and
Debtor in Possession***

Label Matrix for local noticing
0540-4
Case 10-43554
Eastern District of Texas
Sherman
Wed Oct 13 15:16:49 CDT 2010

ALLROUNDER DAIRY
1160 CR 3310
PICKTON, TX 75471-3719

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Box 12548 Capitol Station
Austin, TX 78711-2548

CAPITOL ONE CARD
PO BOX 60599
CITY OF INDUSTRY, CA 91716-0599

COMMODITY SPECIALISTS COMPANY
PO BOX 1450
MINNEAPOLIS, MN 55485-1450

CRYSTAL FEED MILLS, INC
PO BOX 19
COMO, TX 75431-0019

FARM BUREAU
7420 FISH POND ROAD
WACO, TX 76710-1095

HOPKINS COUNTY VETERINARY CLINIC
129 HILLCREST DR
SULPHUR SPRINGS, TX 75482-3644

LIVINGSTON MACHINERY
PO BOX 666
HIGHWAY 81 SOUTH
CHICKASHA, OK 73023-0666

PHI FINANCIAL SERVICES
PO BOX 660635
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E 10890 PENNY LANE
BARABOO, WI 53913-9408

AMERICAN EXPRESS
PO BOX 650448
DALLAS, TX 75265-0448

BAKER
123 N. WALNUT STREET
PEABODY, KS 66866-1059

CENTRAL PLAINS TRADING, LLC
4330 SHAWNEE MISSION PARKWAY
STE 210
FAIRWAY, KS 66205-2522

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PO BOX 802233
KANSAS CITY, MO 64180-2233

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PHILADELPHIA PA 19114-0326

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311 N ARTHUR STR
AMARILLO, TX 79107-5439

POTTS GAS
PO BOX 141
EMORY, TX 75440-0141

AGCO FINANCE LLC
PO BOX 9263
DES MOINES, IOWA 50306-9263

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Bankruptcy Reporting Contact
OAG/CSD/Mail Code 38
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BUFFALO, NY 14206-1801

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NORTHEAST TEXAS FARMERS COOP
PO BOX 489
SULPHUR SPRINGS, TX 75483-0489

SEC
100 F Street, NE
Washington, DC 20549-2001

SPRINT PETROLEUM, INC
PO BOX 893
SULPHUR SPRINGS, TX 75483-0893

SUNBELT CUSTOM MINERAL LLC
1276 FM 2560
SULPHUR SPRINGS, TX 75482-7708

TONY ROSS DAIRY SERVICE
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The preferred mailing address (p) above has been substituted for the following entity/entities as so specified
by said entity/entities in a Notice of Address filed pursuant to 11 U.S.C. 342(f) and Fed.R.Bank.P. 2002 (g)(4).

Internal Revenue Service -
Centralized Insolvency Operations
PO Box 21126
Philadelphia, PA 19114-0326

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(u)FARM BUREAU

End of Label Matrix
Mailable recipients 37
Bypassed recipients 1
Total 38

Label Matrix for local noticing
0540-4
Case 10-43555
Eastern District of Texas
Sherman
Wed Oct 13 15:18:11 CDT 2010

AGRILAND, FLCA
3210 WNW LOOP 323
TYLER, TX 75702-1302

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PO BOX 6103
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POTTS GAS
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EMORY, TX 75440-0141

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SUNBELT CUSTOM MINERAL LLC
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SULPHUR SPRINGS, TX 75482-7708

TONY ROSS DAIRY SERVICE
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SULPHUR SPRINGS, TX 75483-1022

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Austin, TX 78774-0001

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PO Box 21126
Philadelphia, PA 19114-0326

TOYOTA
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CEDAR RAPIDS, IA 52409

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End of Label Matrix
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Bypassed recipients 1
Total 44